



ARIZONA STATE RETIREMENT SYSTEM

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Paul Matson
Director

SUMMARY OF A PUBLIC MEETING OF THE ARIZONA STATE RETIREMENT SYSTEM EXTERNAL AFFAIRS COMMITTEE

HELD ON
February 3, 2012
10:00 a.m., Arizona Time

The External Affairs Committee (EAC) of the Arizona State Retirement System (ASRS) met in the 14th Floor Conference Room of the ASRS Office, 3300 North Central Avenue, Phoenix, AZ, 85012. Mr. Michael Townsend, Chair, called the meeting to order at 10:04 a.m., Arizona Time.

This meeting was teleconferenced to the ASRS Tucson office at 7660 East Broadway Boulevard, Suite 108, Tucson, Arizona, 85710.

1. Call to Order; Roll Call; Opening Remarks

Present: Mr. Michael Townsend, Chair (Via Teleconference)
Mr. Tom Manos (Via Teleconference)
Mr. David Byers (Via Teleconference)

Absent: Mr. Kevin McCarthy, Vice-Chair

A quorum was present for the purpose of conducting business.

2. Approval of the Minutes of the December 2, 2011 EAC Meeting

Motion: Mr. Tom Manos moved the External Affairs Committee approve the minutes of the December 2, 2011 EAC meeting.

Mr. David Byers seconded the motion.

By a vote of 3 in favor, 0 opposed, 0 abstentions and 1 excused the motion was approved.

3. Presentation, Discussion, and Appropriate Action Regarding the ASRS Communications Plan

Mr. Patrick Klein, Assistant Director, External Affairs Division, introduced Mr. David Cannella, ASRS Communications Manager, who updated the Committee on the current ASRS Communications Plan. Mr. Cannella reviewed the accomplishments for 2011 including the launch of a SmartForm capability for the withdrawal of contributions, the creation of the Popular Annual Financial Report, and a re-organization of the "Member Education" section of the ASRS website to be more inclusive of all educational opportunities. He also discussed some of the shortfalls for 2011 including the lack of ASRS Board and Committee packets being available on the website, and poor functionality of the website. Mr. Cannella then reviewed the various

projects that the Communications team will be working on in 2012.

4. Presentation, Discussion, and Appropriate Action Regarding the 2012 Legislation

Mr. Patrick M. Klein, Assistant Director, External Affairs Division, introduced Ms. Lesli Sorensen, Government Relations Officer, who reviewed the pending legislation in both the Arizona House and Senate, including bills regarding investments, Long Term Disability, and administrative changes to the ASRS plan. She also noted the new format for the “bill tracker” and that a real-time version of the bill tracker is available on the ASRS website.

5. Call to the Public

Dr. Robert J. Letson addressed the Committee regarding the payment of the Premium Benefit to retirees. Mr. Klein said he would follow up with Dr. Letson at a future date to discuss the issue.

Mr. Steve Ramos addressed the Committee regarding four bills currently in the Legislature regarding public employees, including a ban on collective bargaining and whether they would have a negative impact on the ASRS Trust Fund. Ms. Sorensen said she was aware of the bills, but the ASRS had not analyzed a potential impact.

Ms. Linda Somo inquired as to whether or not the sponsors of bills in the Legislature to establish a Defined Contribution Plan in lieu of the Defined Benefit Plan were on the existing Defined Contribution Study Committee. Ms. Sorensen indicated they were not.

Ms. Sorensen announced a Maricopa County Superior Court judge had just ruled in *Barnes v. ASRS* the 53/47 contribution split enacted by the Legislature was unconstitutional.

6. Adjournment of the ASRS External Affairs Committee

Mr. Townsend adjourned the meeting at 11:06 a.m.

Respectfully Submitted by,

Zachary Kucera
Committee Secretary

Date

Patrick M. Klein
Assistant Director, External Affairs Division

Date